

## Message Text

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ORIGIN EB-11

INFO OCT-01 AF-10 ISO-00 AID-20 CIAE-00 COME-00 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 SCI-06 FEA-02 INT-08

NEA-11 SS-20 NSC-10 L-03 H-03 /150 R

DRAFTED BY EB:ORF:FSE:LRRAICHT:LED

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AF/N - MR. MONTVILLE(DRAFT)

----- 116265

R 282038Z JAN 74

FM SECSTATE WASHDC

TO AMEMBASSY RABAT

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E.O. 11652

TAGS: ENRG

REF: RABAT 170

1. U.S. INDUSTRY INTEREST IN DEVELOPMENT DOMESTIC OIL SHALE DEPOSITS HAS INCREASED GREATLY IN RECENT YEARS UNDER PRESSURE OF UNCERTAINTY OF SUPPLY OF CONVENTIONAL OIL FROM ABROAD. IN ADDITION, RECENT SHARP INCREASES IN PRICE OF OIL HAVE MADE OIL SHALE LOOK ECONOMICALLY FEASIBLE. HOWEVER, WE DO NOT THINK US COMPANIES WOULD CONSIDER EXPLOITATION FOREIGN SHALE MORE SECURE AND BENEFICIAL TO IT THAN SHALE SOURCES IN U.S. AND IN CURRENT DOMESTIC POLITICAL SITUATION IT IS RATHER UNLIKELY THAT THEY WOULD BE WILLING TO RISK POSSIBLE PUBLIC AND CONGRESSIONAL CRITICISM THAT WOULD RESULT FROM SUBSTANTIAL INVESTMENT IN AND EXPLOITATION OF OIL SHALE DEPOSITS IN ARAB COUNTRY BEFORE A GREAT DEAL MORE PROGRESS IS MADE IN DEVELOPMENT OF DOMESTIC RESOURCES. ALSO, INDUSTRY ALREADY WORKING

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IN BRAZIL, WHICH HAS EXTENSIVE SHALE OIL POSSIBILITIES,

AND LIKELY TO DIRECT INTEREST THERE FIRST.

2. WE DO NOT HAVE DETAILED INFORMATION ON SOVIET CAPABILITIES IN THIS AREA BUT DOUBT SOVIET TECHNOLOGY AS ADVANCED AS AMERICAN.

3. MOST US ENERGY FIRMS HAVE OR ARE DEVELOPING TECHNOLOGY IN THIS AREA. COLONY DEVELOPMENT OPERATION (1500 SECURITY LIFE BUILDING, DENVER, COLORADO - HOLLIS DOLE, GENERAL MANAGER), WHICH IS SUBSIDIARY OF ATLANTIC RICHFIELD, HAS DEVELOPED RETORT PROCESS WHICH WILL BE USED IN PLANT SCHEDULED TO BEGIN CONSTRUCTION OCTOBER 1974. OCCIDENTAL PETROLEUM CORPORATION CLAIMS TO HAVE DEVELOPED UNDERGROUND (IN SITU) PROCESS FOR OIL SHALE, BUT DETAILS ON VIABILITY AND ECONOMIC FEASIBILITY NOT AVAILABLE AT THIS TIME. GARRETT RESEARCH AND DEVELOPMENT CORP, LAVERNE, CALIFORNIA, IS OCCIDENTAL SUBSIDIARY WHICH DEVELOPED THIS PROCESS. EMBASSY MAY, IN ITS DISCRETION, PROVIDE THIS INFORMATION TO GOM. KISSINGER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SUPPLIES, PETROLEUM INDUSTRY, OIL SHALE, PETROLEUM RESERVES, FOREIGN INVESTMENTS, EXPLOITATION (NATURAL RESOURCES)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 JAN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE017978  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** ORF:FSE:LRRAICHT:LED  
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**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740111/aaaaajws.tel  
**Line Count:** 82  
**Locator:** TEXT ON-LINE  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** RABAT 170  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** n/a  
**TAGS:** ENRG, MO, US, XF  
**To:** RABAT  
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